

April 14, 2015

**Direct the Auditor-Controller to Audit Los Angeles County Transactions with  
Palantir Technologies, Inc.**

In 2009, the Los Angeles County Sheriff's Department (Department), acting as the fiduciary for the Joint Regional Intelligence Center (JRIC), entered into an agreement with Palantir Technologies, Inc. (Palantir). Palantir agreed to provide licensing, installation, support, maintenance, and training for a period of ten months in exchange for \$250,000 from the Department. The Department has since paid out more than sixteen million dollars to Palantir. In all of these transactions, the Department served as the conduit for federal funds; none of these payments constituted net County cost. The County's Internal Services Department (ISD) made payments using purchase orders; it is unclear whether Board approval should have been sought. Last week, the Sheriff's Department notified the Board of Supervisors that, in collaboration with the Internal Services Department and the Chief Information Officer (CIO), the Department planned to initiate a further payment of \$1,050,000 to Palantir for services rendered

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**MOTION**

SOLIS	_____
RIDLEY-THOMAS	_____
KUEHL	_____
KNABE	_____
ANTONOVICH	_____

**REVISED MOTION BY SUPERVISORS HILDA SOLIS  
AND MICHAEL D. ANTONOVICH  
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between March 1, 2014 and February 28, 2015. The Department made clear that it was aware of the problems associated with this retroactive payment and called those concerns to the Board's attention. The Department also noted that it intended to assess the contract and determine what corrective action was needed to avoid problems such as this from arising in the future, with a comprehensive report back to be made to the Board. To that end, the Sheriff is in agreement that engaging the Auditor Controller's assistance in this matter is appropriate.

The people entrust public officials with the responsible stewardship of public funds. The Board has established policies to ensure that public funds are used responsibly and transparently, including policies disfavoring retroactive agreements and requiring board approval of purchase orders for service contracts over \$100,000. The number and size of these transactions without Board approval require that we examine this matter thoroughly and with maximum transparency.

**WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:**

Direct the Auditor-Controller, in consultation with the Inspector General, to audit all transactions between Los Angeles County and Palantir to determine whether any Board policies or applicable laws have been violated, and to recommend appropriate action through a report back to the Board in 60 days.

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